

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

OCEANTRADE S.A.,

No. C 05-02589 WHA

Plaintiff,

v.

**ORDER WITHDRAWING  
ORDER TO SHOW CAUSE  
AND STAYING ACTION**

NUTTERY FARMS, INC.,

Defendant.

Defendant Nuttery Farms, Inc. failed to appear at a case management conference on July 20, 2006. The Court, therefore, issued an order for defendant to show cause for its failure to appear. Defendant now submits that it has filed for Chapter 7 bankruptcy, which imposes an automatic stay of this action. The order to show cause is, accordingly, withdrawn. Moreover, this action is stayed until the termination of the bankruptcy proceedings or until the parties otherwise agree to dismissal of this action.

Pursuant to 11 U.S.C. 362(a):

[A]n application filed under section 5(a)(3) of the Securities Investor Protection Act of 1970, operates as a stay, applicable to all entities, of —

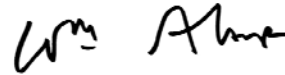
(1) the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title.

1 As the Ninth Circuit has explained, “[f]iling a petition in bankruptcy triggers an automatic stay  
2 of actions against the debtor, the creation of an estate, and the appointment of a trustee.” *In re*  
3 *Majewski*, 310 F.3d 653, 656 (9th Cir. 2002).

4 This action is, therefore, stayed. Contrary to defendant’s wishes, however, the Court  
5 cannot completely give up all monitoring of this action. The parties, therefore, shall submit on  
6 the first of every month a joint submission notifying the Court whether the bankruptcy is still  
7 pending. The parties shall also, of course, notify the Court immediately of a change in the  
8 bankruptcy status of defendant, or if this action is otherwise settled in bankruptcy.

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10 **IT IS SO ORDERED.**

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12 Dated: August 2, 2006



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13 WILLIAM ALSUP  
14 UNITED STATES DISTRICT JUDGE  
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